EARTHCORPS

FINANCIAL STATEMENTS
With Independent Auditor's Report

YEARS ENDED DECEMBER 31, 2024 AND 2023

UNIFORM GUIDANCE SUPPLEMENTARY FINANCIAL REPORTS
YEAR ENDED DECEMBER 31, 2024

EARTHCORPS

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2024 AND 2023

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JACOBSON JARVIS &CO PLLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Directors
EarthCorps
Seattle, Washington

Opinion
We have audited the accompanying financial statements of EarthCorps (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of EarthCorps as of December 31, 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion
We conducted our audit in accordance with auditing standards generally accepted in the United States of America (and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of EarthCorps and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about EarthCorps ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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Auditors' Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards,* we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of EarthCorps' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about EarthCorps' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title *2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2025, on our consideration of the EarthCorps's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the EarthCorps's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering EarthCorps's internal control over financial reporting and compliance.

Auditors' Responsibilities for the Audit of the Financial Statements

We have previously audited EarthCorps December 31, 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 1, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Jacobson Jarvis & Co, PLLC

Jacobson Jarvis & Co, PLLC
Seattle, Washington
December 2, 2025

EARTHCORPS

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2024 AND 2023

ASSETS

	2024	2023
Current Assets		
Cash and cash equivalents	$ 669,686	$ 1,005,531
Investments	134,364	558,544
Grants receivable	765,619	427,996
Pledges receivable	123,600	111,193
Prepaid expenses	57,522	57,499
Total Current Assets	1,750,791	2,160,763
Right-of-Use Asset - operating	350,796	467,728
Property and Equipment, net	99,422	136,371
Unemployment Trust Deposits	36,247	25,638
	$ 2,237,256	$ 2,790,500

LIABILITIES AND NET ASSETS

	2024	2023
Current Liabilities		
Accounts payable	$ 38,397	$ 53,327
Accrued payroll and related	121,672	125,793
Operating lease liability, current portion	56,108	43,249
Deferred revenue	954,092	1,262,179
Note payable, current	-	50,763
Total Current Liabilities	1,170,269	1,535,311
Operating Lease Liability, net of current portion	300,547	356,655
Note Payable, net of current portion	-	17,608
Total Liabilities	1,470,816	1,909,574
Net Assets		
Without donor restrictions		
Undesignated	262,335	(454,220)
Board designated	245,566	963,087
	507,901	508,867
With donor restrictions		
Purpose and time	254,239	367,759
Perpetual in nature	4,300	4,300
	258,539	372,059
Total Net Assets	766,440	880,926
	$ 2,237,256	$ 2,790,500

EARTHCORPS

STATEMENT OF ACTIVITIES

YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024				2023
	Without Donor Restrictions				
	Undesignated	Board Designated	With Donor Restrictions	Total	Total
Support and Revenue					
Government grants and contracts	$ 3,363,633	$ -	$ -	$ 3,363,633	$ 1,972,684
Non-government grants and contracts	717,815	-	-	717,815	404,755
Contributions	558,802	-	172,000	730,802	775,064
Special events, net of costs	11,125	-	-	11,125	40,050
In-kind contributions	-	-	-	-	46,197
Investment return, net of fees	32,994	-	-	32,994	86,384
Other	9,178	-	-	9,178	(9,330)
	4,693,547	-	172,000	4,865,547	3,315,804
Net Asset Releases and Transfers					
Board designated transfers	717,521	(717,521)	-	-	-
Net assets released from restrictions	285,520	-	(285,520)	-	-
	1,003,041	(717,521)	(285,520)	-	-
Total Support and Revenue	5,696,588	(717,521)	(113,520)	4,865,547	3,315,804
Expenses					
Program services	3,901,791	-	-	3,901,791	2,815,452
Management and general	702,619	-	-	702,619	949,092
Fundraising	375,623	-	-	375,623	380,287
Total Expenses	4,980,033	-	-	4,980,033	4,144,831
Total Change in Net Assets	716,555	(717,521)	(113,520)	(114,486)	(829,027)
Net Assets - Beginning of year	(454,220)	963,087	372,059	880,926	1,709,953
Net Assets - End of year	$ 262,335	$ 245,566	$ 258,539	$ 766,440	$ 880,926

See notes to financial statements.

EARTHCORPS

STATEMENTS OF FUNCTIONAL EXPENSES

YEARS ENDED DECEMBER 31, 2024

	2024				2023
	Program	Management and General	Fundraising	Total	Total
Salaries and related costs	$ 3,225,441	$ 401,889	$ 290,954	$ 3,918,284	$ 2,974,356
Professional fees	33,468	153,769	47,791	235,028	323,763
Facility and equipment	119,570	14,899	10,786	145,255	164,816
Supplies and materials	131,989	7,611	2,022	141,622	218,751
Travel	109,364	11,419	2,691	123,474	106,842
Dues, subscriptions, and licenses	64,671	34,726	8,311	107,708	37,099
Insurance	70,745	8,815	6,382	85,942	88,126
Depreciation	53,923	2,043	1,479	57,445	50,200
Training and education	28,922	11,696	3,275	43,893	35,530
Contract services	17,463	25,225	-	42,688	-
Repairs and Maintenance	29,879	1,746	-	31,625	41,111
Bank charges, financial, and other fees	-	22,749	129	22,878	30,077
Recruiting	13,338	4,296	-	17,634	12,753
Printing and postage	932	1,736	1,803	4,471	11,380
Advertising	2,086	-	-	2,086	3,830
In-kind expenses	-	-	-	-	46,197
Total functional expenses	3,901,791	702,619	375,623	4,980,033	4,144,831
Add: Cost of direct benefits to donors	-	-	9,501	9,501	98,343
Total expenses	$ 3,901,791	$ 702,619	$ 385,124	$ 4,989,534	$ 4,243,174

See notes to financial statements.

EARTHCORPS

STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
Cash Flows from Operating Activities		
Cash received from donors	$ 729,520	$ 703,921
Cash received from government agencies	3,411,058	2,307,914
Cash received from investment income and other	34,372	127,411
Cash paid to employees	(3,922,405)	(2,965,979)
Cash paid to suppliers	(956,183)	(998,786)
Net Cash Used by Operating Activities	(703,638)	(825,519)
Cash Flows from Investing Activities		
Purchase of property and equipment	(20,496)	-
Proceeds from sales of property and equipment	-	6,655
Proceeds from sales of investments	456,660	19,714
Net Cash Provided by Investing Activities	436,164	26,369
Cash Flows from Financing Activities		
Principal payments on note payable	(68,371)	(47,764)
Changes in Cash and Cash Equivalents	(335,845)	(846,914)
Cash and Cash Equivalents - beginning of year	1,005,531	1,852,445
Cash and Cash Equivalents - end of year	$ 669,686	$ 1,005,531

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities – EarthCorps (the Organization) brings together passionate and hardworking young adults from the U.S. and countries around the world for a leadership and technical restoration training program in Seattle, Washington. EarthCorps is dedicated to ecological restoration that is guided through a lens of racial equity and environmental justice. EarthCorps mission is to cultivate leaders and community partnerships to advance environmental justice. Since EarthCorps was founded as a nonprofit organization in 1993, more than 1,800 participants have learned leadership skills through working collaboratively, leading community volunteers, and executing technical restoration projects along shorelines, trails, and in forests to improve the health of the Puget Sound region.

Basis of Accounting and Presentation

The financial statements have been prepared on the accrual basis of accounting and report information regarding the Organization's financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The Board has designated certain otherwise net assets without donor restrictions as a Board designated reserve. These funds are approved by the Board to be held for specific purposes and require Board approval to designate for other purposes.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Net assets with donor restrictions are as follows as of December 31:

	2024	2023
Community Engagement	$ -	$ 208,424
International Cohort & Alumni Engagement	50,000	50,000
Blue Carbon	117,500	45,500
Fauntleroy Watershed	6,739	14,460
Sword Fern Science	-	9,375
Other	50,000	-
Commencement Bay	30,000	30,000
Leadership and job training	-	10,000
Funds held in perpetuity	4,300	4,300
	$ 258,539	$ 372,059

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Board-Designated Net Assets

Net assets without donor restrictions designated by the Board as an operating reserve are included in cash and cash equivalents and investments and are available for use through Board resolution. The Board designated operating reserve totaled $245,566 and $963,087 as of December 31, 2024 and 2023, respectively.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash and cash equivalents. At December 31, 2024 and 2023, cash and cash equivalents consist of checking, savings and money market accounts. Deposits with a single financial institution occasionally exceed federally insured limits, which subject the Organization to a concentration of deposit risk. The Organization has not experienced losses due to this concentration.

Investments

The Organization carries investments with readily determinable fair values at their fair values in the statement of financial position. Investment return is included in the accompanying statement of activities.

Fair value measurements

In accordance with financial accounting standards, a three-tiered hierarchy of input levels is used for measuring fair value. Financial accounting standards defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Valuation techniques utilized to determine fair value are consistently applied. Transfers between levels in the fair value hierarchy are recognized at the end of the reporting period. The three tiers of inputs used for fair value measurements are as follows:

Level 1: Fair values are based on quoted prices in active markets for identical assets and liabilities.

Level 2: Fair values are based on observable inputs that include: quoted market prices for similar assets or liabilities; quoted market prices that are not in an active market; or other inputs that are observable in the market and can be corroborated by observable market data for substantially the full term of the assets.

Level 3: Fair values are calculated by the use of pricing models and/or discounted cash flow methodologies, and may require significant management judgment or estimation. These methodologies may result in a significant portion of the fair value being derived from unobservable data.

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Grants Receivable

Grants receivable consist primarily of outstanding invoices for grants and contracts. Most account balances are due in less than one year. No allowance for uncollectible balances has been established by management based upon the Organization's historical experience in the collection of balances due from its funders.

Pledges Receivable

Pledges receivable are recognized in the period the pledge is received and consist of outstanding promises to give from a variety of individuals and foundations. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in more than one year are initially recorded at fair value, which is measured at the present value of their future cash flows. No allowance for uncollectible balances has been established by management based upon the Organization's historical experience in the collection of balances due.

Property and Equipment

Property and equipment is carried at cost or, in the case of donated property, at the estimated fair value at the date of donation. Depreciation is computed using the straight-line method over a period of three to five years. Leasehold improvements are depreciated over the shorter of the lease term or the useful life of the asset. The Organization follows a policy whereby it capitalizes purchases of property and equipment with a value in excess of $3,000 that provide future benefits over a period longer than one year.

Revenue Recognition

Revenue is recognized when earned. Contributions (including those received at special events) are recognized when cash, securities or other assets, or an unconditional promise to give is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met. It is the Organization's policy to recognize restricted conditional contributions in the net assets without donor restrictions class if the conditions have been met in the same year.

Expirations of net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled or the stipulated time period has elapsed) are reported as reclassifications between net assets with donor restrictions and net assets without donor restrictions. It is the Organization's policy to recognize restricted contributions in net asset without donor restrictions if the restrictions have been met in the same year.

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues from grants and contracts are recognized when the qualified expense is incurred and are subject to audit and retroactive adjustment made by the funding agencies. The adjustments would be recorded at the time that such amounts can first be reasonably determined, normally upon notification by the government agency. There were no government audits or adjustments during the years ended December 31, 2024 and 2023.

Revenue from grants and contracts is recognized when control of these services is transferred to its customers, in an amount that reflects the consideration the Organization expects to be entitled to in exchange for the services provided. Fees received for future services are deferred until the service is completed. A portion of the Organization's contracts and grants are conditioned upon certain performance requirements or the incurrence of allowable qualifying expenses. These conditional contributions are part of contractual obligations that extend into subsequent fiscal years. As of December 31, 2024 and 2023, conditional contributions totaling $1,286,787 and $527,668, respectively, for which no amounts had been received in advance have not been recognized in the accompanying financial statements.

Grants and contracts may give rise to performance obligations for the Organization. Revenue from grants and contracts with performance obligations is recognized when the Organization satisfies a performance obligation by transferring a promised good or service to a customer at a point in time or over time. Grants and contracts do not have a significant financing component, and the consideration amount is not variable. For the related performance obligations, control of the promised good or service transfers to the customer at a point in time. Payment is typically due in full when the customer is invoiced and revenue is recognized in the period in which the service is rendered.

In-kind Contributions

Donations of facilities, goods and services are recognized as revenue at the estimated fair value at the date of donation if they meet the criteria for recognition. The Organization recognizes donated services if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not donated. Volunteers provide valuable services throughout the year that are not recognized in the financial statements as the criteria above have not been met. There were no in-kind contributions for the year ended December 31, 2024. Skilled community volunteers contributed their services totaling $46,197 for the years ended December 31, 2023 and represent in-kind services provided by the Organization at no charge.

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional Allocation of Expenses

The statements of functional expenses present expenses by function and natural classification. Certain categories of expenses are attributable to more than one program or supporting function and require allocation on a reasonable basis that is consistently applied. Direct costs are assigned to specific programs as they are incurred. Indirect costs are allocated based on expected staff time spent in each functional area and program.

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Income Tax Status

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

Reclassifications

Certain amounts in the 2023 financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements. These reclassifications had no effect on the net assets or change in net assets as of or for the year ended December 31, 2023.

Comparative Totals

The financial statements include certain summarized comparative information for the year ended December 31, 2023 in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with EarthCorps financial statements for the year ended December 31, 2024, from which the summarized information was derived.

NOTE B - LIQUIDITY

The Organization strives to maintain liquid financial assets sufficient to cover ninety days of general expenditures. Financial assets in excess of daily cash requirements are invested in money market funds and other short-term investments. Board-designated net assets may be drawn upon to meet liquidity needs through Board resolution.

NOTE B - LIQUIDITY (Continued)

Financial assets available for general expenditure within one year of the statement of financial position date are as follows at December 31:

	2024	2023
Financial Assets		
Cash and cash equivalents	$ 669,686	$ 1,005,531
Investments	134,364	558,544
Grants receivable and pledges receivable	889,219	539,189
Total financial assets	1,693,269	2,103,264
Less those unavailable for general expenditures within one year:		
Restricted by donors with perpetual restrictions	(4,300)	(4,300)
Restricted by donors for purpose	(254,239)	(367,759)
Board reserves	(245,566)	(963,087)
Financial assets available within one year	$ 1,189,164	$ 768,118

NOTE C - FAIR VALUE MEASUREMENTS

Assets carried at fair value on a recurring basis (at least annually) consist of the following:

As of December 31, 2024	Level 1	Level 2	Level 3	Total
Bond mutual funds	$ 34,318	$ -	$ -	$ 34,318
Equity mutual funds	100,046	-	-	100,046
	$ 134,364	$ -	$ -	$ 134,364

As of December 31, 2023	Level 1	Level 2	Level 3	Total
Bond mutual funds	$ 376,187	$ -	$ -	$ 376,187
Equity mutual funds	182,357	-	-	182,357
	$ 558,544	$ -	$ -	$ 558,544

Assets and liabilities carried at fair value on a nonrecurring basis using level 2 inputs generally include donated goods, facilities, and services. Long-term promises to give are valued on a nonrecurring basis using the net present value of future cash flows discounted at a risk-free rate of return which is a level 3 input. The Organization also uses fair value concepts to test various long-lived assets for impairment.

NOTE D - PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31:

	2024	2023
Transportation equipment	$ 562,700	$ 573,885
Office equipment	289,726	284,366
Leasehold improvements	78,744	78,744
Field equipment	35,790	20,653
	966,960	957,648
Less accumulated depreciation	(867,538)	(821,277)
	$ 99,422	$ 136,371

NOTE E - UNEMPLOYMENT TRUST DEPOSITS

EarthCorps participates in the Unemployment Services Trust, a trust to fund the cost of providing unemployment insurance (on a pooled basis with other entities). The Organization makes contributions to the Unemployment Services Trust rather than paying state unemployment premiums, and the Unemployment Services Trust handles all unemployment claims for the Organization. As a member of the Unemployment Services Trust, EarthCorps receives a share of the Unemployment Services Trust's income and expenses. Should EarthCorps decide to leave the Unemployment Services Trust, it is entitled to receive the balance of its trust account, less any outstanding claims.

NOTE F - NOTE PAYABLE

In 2018, EarthCorps entered into a line of credit agreement with a bank for a maximum borrowing amount of $485,000, maturing on October 15, 2028. The interest rate on the line of credit equaled the bank's base rate plus 1.00% for the first 12 months, increasing to the bank's base rate plus 2.75% thereafter. In April 2019, EarthCorps drew $370,000 on the line of credit and the original agreement was amended effective May 13, 2019 to disallow any further advances and to freeze the interest rate at 5.80%, effectively becoming a note payable. The amendment provided for equal monthly payments including principal and interest of $4,443 through May 15, 2028. The note payable was paid in full during the year ended December 31, 2024. The balance on the note payable totaled $68,371 at December 31, 2023.

NOTE G - LEASE COMMITMENTS

EarthCorps leases its office facility from the City of Seattle. The occupancy of the space was effective in December 2017 and will continue for ten years. The Organization has an option to extend its lease for two terms of five years each. Operating leases are included in Right of Use (ROU) assets and lease liabilities in the statement of financial position.

NOTE G - LEASE COMMITMENTS (Continued)

ROU assets represent a right to use an underlying asset for the lease term and operating lease liabilities represent the Organization's obligation to make lease payments arising from the leases. The discount rate represents the Organization's election of the risk-free rate; nonlease components, such as payments required for common area maintenance, are not included in the lease liability and are expensed as incurred. EarthCorps has been granted a tenant improvement allowance of $485,000 from the landlord in the form of an offset to rent of up to 45% of the rent due in any month to a maximum of $485,000 for landlord pre-approved construction cost expenditures. In addition to the offset of the tenant improvement allowance against rent, the Organization may also offset up to 17.91% of annual rent through pre-approved delivery of programming and services to the Seattle Department of Parks and Recreation or the public.

The components of the lease costs for the years ended December 31 are as follows:

	2024	2023
Operating lease costs	$ 139,186	$ 148,762
Supplemental cash flow information:		
Weighted-average remaining lease term	3 years	
Weighted-average discount rate	5.80%	

Future minimum lease payments under the noncancellable lease is as follows for the years ending December 31:

2025	$ 150,382
2026	156,224
2027	163,014
	469,620
Less tenant improvement allowance	(74,868)
Less present value discount	(38,097)
	$ 356,655

NOTE H - PENSION PLAN

The Organization sponsors and makes contributions to a qualified retirement plan. In March 2023, the Organization transitioned from sponsoring a plan under Section 403(b) of the Internal Revenue Code to a plan under 401(k) of the Internal Revenue Code. All full-time employees are eligible to participate on the date of hire. The Organization matches 100% up to 3% of an employee's eligible compensation. All regular employees are eligible to enroll in the Organization's 401(k) plan after six months of consistent employment with the Organization. The organization's contributions to the plan totaled $43,042 and $44,308 to the plan for the years ended December 31, 2024 and 2023, respectively.

NOTE I - SUBSEQUENT EVENTS

Management has evaluated events occurring subsequent to December 31, 2024 through December 2, 2025, which is the date the financial statements were available to be issued and has recognized in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at December 31, 2024, including the estimates inherent in the processing of financial statements.

SUPPLEMENTARY INFORMATION

EARTHCORPS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2024

Federal Grantor *Pass-through Grantor* "Program Title"	Contract Number	Assistance Listing #	Passed Through to Subrecipients	Federal Expenditures
Corporation for National and Community Service				
Serve Washington				
"AmeriCorps State and National"	K4257		$ -	$ 849,493
Total Corporation for National and Community Service		94.006*	-	849,493
National Oceanic and Atmospheric Administration				
National Fish and Wildlife Foundation				
"Habitat Conservation"	3002.20.070178		-	51,695
Total National Oceanic and Atmospheric Administration		11.463	-	51,695
Department of Agriculture				
"Infrastructure Investment and Jobs Act Capital Maintenance and Improvement"	24-PA-11060500-117		-	69,979
Total Department of Agriculture		10.718	-	69,979
Department of the Interior National Park Service				
"Youth and Veteran Organizations Conservation Activities"	P19AC00645-06		-	30,967
"Youth and Veteran Organizations Conservation Activities"	P24AC01902-00		-	10,013
Total Department of the Interior National Park Service		15.931	-	40,980
Total Expenditures of Federal Awards			$ -	$ 1,012,147

* Denotes major program

EARTHCORPS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEBMER 31, 2024

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of EarthCorps and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (the Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE B - INDIRECT COST RATE

EarthCorps did not have a negotiated indirect cost rate for use on Federal grants and contracts. As such, EarthCorps utilized the 10% de minimums indirect cost rate, as applicable.

JACOBSON JARVIS & CO PLLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
EarthCorps
Seattle, Washington

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of EarthCorps, which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 2, 2025.

Report on Internal Control Over Financial Reporting
In planning and performing our audit of the financial statements, we considered EarthCorps's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of EarthCorps's internal control. Accordingly, we do not express an opinion on the effectiveness of EarthCorps's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether EarthCorps's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of EarthCorps's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the EarthCorps's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Jacobson Jarvis & Co, PLLC

Jacobson Jarvis & Co, PLLC
Seattle, Washington
December 2, 2025

JACOBSON JARVIS &CO PLLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
AS REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
EarthCorps
Seattle, Washington

Report on Compliance on the Major Federal Program
We have audited EarthCorps's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on EarthCorps's major federal program for the year ended December 31, 2024. EarthCorps's major federal program is identified in the summary of audit results section of the accompanying schedule of findings and questioned costs.

Opinion on the Major Federal Program
In our opinion, EarthCorps complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program
We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of EarthCorps and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of EarthCorps's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance
Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to EarthCorps's federal programs.

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Auditor’s Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on EarthCorps’s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about EarthCorps’s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding EarthCorps’s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of EarthCorps’s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of EarthCorps’s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Jacobson Jarvis & Co, PLLC

Jacobson Jarvis & Co, PLLC
Seattle, Washington
December 2, 2025

EARTHCORPS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED DECEMBER 31, 2024

A. SUMMARY OF AUDIT RESULTS

1. The auditor’s report expresses an unmodified opinion on the financial statements of EarthCorps.
2. No material weaknesses relating to the financial statements are reported in the "Independent Auditor's Report Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards.*"
3. No instances of noncompliance material to the financial statements of EarthCorps were disclosed during the audit.
4. No material weaknesses relating to the audit of the major federal award programs are reported in the "Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance as Required by the Uniform Guidance."
5. The auditor’s report on compliance for the major federal award program for EarthCorps expresses an unmodified opinion.
6. Audit findings relative to the major federal award program for EarthCorps are reported in Part C of this Schedule.
7. The program tested as major was AmeriCorps State and National, ALN 94.006.
8. The threshold used for distinguishing between Type A and B programs was $750,000.
9. EarthCorps was not determined to be a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENT AUDIT

None

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAM AUDIT

None